GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1474
ANSWERED ON:03.05.2016
Payment to Labourers
Reddy Shri Ponguleti Srinivasa;Singh Shri Abhishek

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the guidelines regarding permissible incentives including overtime payment and retirement age of labourers in Food Corporation of India (FCI);
(b) whether the FCI has decided to de-notify its depots as some of the departmental labourers have allegedly received even more than Rs. 4 lakhs per month in wages because of the incentive system in notified depots and the widely used proxy labourers;
(c) if so, the details thereof and the measures taken/to be taken to fix the maximum limit on the incentives payable per person either by denotifying these depots or handing them over to States or private sector on service contracts; and
(d) whether steps have been taken to mechanise all the FCI depots so as to reduce the reliance on departmental labourer, if so, the details and the outcome thereof?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)
(a) The incentive payment admissible to the departmental labour ranges from 8% to 50% of normal wages for bags handled above the datum of current norms of 105 bags. In case of stacking, the incentive for height ranges from 10% to 50% whereas for lead incentive ranges from 15% to 100%.
Besides the overtime is admissible to a worker as per Shops & Establishment Act of respective states which ranges from 25% to 100% for beyond office hours and work on Sunday/ Public Holidays provided they fulfill hourly norms during the Overtime. The slab-wise details for different operations are attached as Annexure-I.
The retirement of labour in Food Corporation of India (FCI) is 60 years.
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(b) & (c):` Yes, proposal has been submitted to the Ministry of Labour & Employment for grant of exemption under the provisions of section 31 and denotification of notified depots from the purview of Contract Labour (Regulation & Abolition) Act, 1970 so that labour could be pooled in a few depots to deploy contract labour in vacated depots.
In order to check the irregularities and to minimize the handling cost of labourers, the following steps have been taken:
(i) Rationalization of labour is being done at District/ Region/ Zonal level an in this exercise, 398 labourers have been recently shifted within the Regions.
(ii) 1192 Departmental Labours have been recently shifted from 19 de-hired godowns to other depots as per the requirement to bring down the cost of handling.
(iii) Executive Director (IA), FCI Headquarters has also been requested to arrange special audit of the depots where the monthly earning by an individual labour has been reported to be more Rs. 1.5 lakhs.
(iv) the list of depots with higher handling cost is being shared with Vigilance Division for investigation and action wherever warranted.
(v) Instructions regarding prohibition of Proxy Labour in the depots have been reiterated from time to time.
(vi) instructions regarding checking of ID cards of labours regularly at the entry points in depots and monitoring of absenteeism of labour have been revamped.
(vii) General Managers (Region) were also directed to depute squad for surprise checks in the depot to curb the practice of employment of proxy by the labours.
(viii) Labours are sent on tour to other depots to ward off idle wages at their original places of posting and reduce incentive earnings at nearby depots during rake operations.
(ix) Placement of rakes on Sundays and Holidays are avoided as far as possible to avoid excessive payment of OTA to the departmental workers.
(x) instructions regarding medical/ fitness test has also been issued to ward off proxy labour engagement by unfit departmental labours.
(d): In the year 2013-14, FCI had installed bag stacker on pilot basis in 27 depots. However, the same has not been found to be successful as the stackers were too bulky and it was difficult to move them from one stack to other across sheds in a depot.
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